

WASHINGTON – Congressman Spencer Bachus (AL-6) delivered the following report on the meetings that he has been holding in the 6th District of Alabama this month.

If the summer of 2009 was about health care, then the summer of 2010 has been about jobs and the economy.

In my meetings in my congressional district this month, people have told me about their frustration with the weak economy and their belief that the federal government's spending and borrowing has only left us with more debt and fewer jobs.

The uncertainty caused by the health care takeover, a national energy tax, financial regulation, and a major tax increase looming at the end of the year has chilled hiring.

Private sector expansion led us out of past recessions. □ But right now, small businesses have all they can handle trying to keep up with a torrent of expensive federal mandates.

While the health care law will not fully take effect 2014, it is already causing costs to rise, as many of us predicted and the White House now admits. □ Small business owners who must budget for higher health care bills and new taxes don't have the money to hire new employees.

The infamous "1099 provision" requiring an I.R.S form for every purchase of \$600 or more of goods and services will impose an enormous additional paperwork burden on our employers.

The national energy tax proposal, which could be taken up during a lame duck session of Congress, would raise electricity and gasoline prices in Alabama at a time when businesses and families can least afford it.

This anti-carbon tax would fall hard on our state because of our heavy use of coal and fails to recognize Alabama's investments in clean hydropower and nuclear energy.

Even businesses trying to grow are struggling to get credit. □ The Dodd-Frank financial regulatory law will worsen this situation by creating a federal bureaucracy that will decide what kind of loan you can receive and what kind of credit card you can have.

Washington has forgotten the most basic economic lessons. □ The government cannot spend, borrow, and regulate its way to prosperity. □ And as Ronald Reagan said, the worst thing to do during a recession is to raise taxes.

Incredibly, unless Speaker Pelosi and her majority relent, there will be a \$3.8 trillion dollar tax increase that will cost the average middle income family in Alabama \$1500 annually. □ That means higher income tax rates, the return of the marriage penalty and death tax, a cut in the child tax credit by half, and sharp tax increases on capital gains and dividends.

If businesses have less money to invest and consumers have less in their pockets to spend, how can the economy grow?

The exploding debt is an economic time bomb. □ Spending has increased by more than \$6 trillion □ under President Obama, Speaker Pelosi, and Senator Reid. □ The national debt is \$13 trillion – raising your share of it to \$42,000 - and is on pace to hit a staggering \$20 trillion in just ten more years.

This is unsustainable. □ America cannot head down the same bankrupt path as Greece.

The good news is that we can get this right. □ Citizens are giving solutions at town hall meetings and through projects like America Speaking Out. □ We need to cut spending, stop the tax increase, and – before it does more damage – repeal the flawed health care bill and replace it with common sense reforms.

America's economic prosperity has come from our people, not the government. □ The pendulum has been on the side of big government and it's time to swing it back to individual initiative, personal accountability, and freedom.